



CALIFORNIA VETERANS BOARD

Meeting Minutes #695

September 29, 2006



Chairman Vernon Chong
Randal Bressette, Vice Chairman
Leo P. Burke, Board Member

Jake I. Alarid, Board Member
Alice Astafan, Board Member
Colin Shadell, Board Member

The California Veterans Board met at the New Directions, Inc., in Los Angeles, California at 9:00 a.m.

ROLL CALL

Present: Board Members Vernon Chong, Chairman, Randal Bressette, Vice-Chairman, Jake Alarid, Member, Alice Astafan, Member, Leo Burke, Member, Colin Shadell, Member
Chairman Chong presided

OPENING CEREMONIES

A) INVOCATION

B) PLEDGE OF ALLEGIANCE

C) PRESENTATION OF PLAQUE TO WAYNE PARRISH

Chairman Chong presented Mr. Wayne Parrish with a plaque to recognize him for his service as the California State Commander to the American Legion 2005-2006.

WELCOMING REMARKS/INTRODUCTIONS

Chairman Chong welcomed everyone and thanked them for attending the meeting. He introduced the Executive Director of New Directions, Toni Reinis and thanked her for hosting the meeting. Ms. Reinis gave a brief overview of New Directions and their programs. The Chairman then introduced the members of the Board and provided background on each Board member. Chairman Chong introduced Mr. Thomas Johnson, the Secretary of the California Department of Veterans Affairs.

Secretary Johnson welcomed the group and introduced his staff, Deputy Secretary and Chief Legal Counsel Rob Wilson, Deputy Secretary for Communications and Legislation J.P. Tremblay, and Deputy Secretary of Homes Bill Parente.

MINUTES

Executive Officer, Bonnie Kelly

RECOMMENDATION

Approve the minutes of the previous meeting held August 10, and 11, 2006

Board member Bressette moved to approve August 10, and 11, 2006 minutes. Board member Shadell seconded. The vote was as follows:

AYES: Board members Alarid, Astafan, Bressette, Burke, Chong, and Shadell.

NOES: None

Chairman declared the motion carried.

PUBLIC COMMENT

Dr. David Salopek

Colonel Joseph Smith

Raymond Hull

OLD BUSINESS

A. Revision of Policy C-2 Disqualifying Conditions for Admission to a Home

The purpose of this policy is to state the reasons for disqualification for admission to a Home and to delineate areas of care that are beyond the health care capabilities of the Veterans Homes.

After discussion, it was agreed that language will be added that “the Department will determine the mechanism by which this policy is activated” and include a cross reference to Policy C-13. Upon approval of the regulations, Policy C-2 would then be activated.

Member Bressette suggested the following language: Prefix 2A become effective the date all necessary regulations are implemented. Veterans applicants who are eligible, but have not applied for Federal, State or VA medical programs. 2B would be “effective the date all necessary regulations are implemented, non Veteran applicants who are not participating in a Federal, State or private health care service plan.”

RECOMMENDATION

Board member Bressette moved for adoption of Policy C-2. Board member Alarid seconded.

AYES: Board members Alarid, Astafan, Bressette, Burke, Chong, and Shadell.

NOES: None

Chairman declared the motion carried.

B. Committees: Purpose, areas of interest, operating policies, etc.

Chairman Chong explained that the Board had consolidated the prior Board Committees. The Chairman requested that each Chair of a committee write a short statement to describe the purpose and function of their committee.

Member Burke read the description for the Veterans Services Committee.

Member Bressette read the description for the Legislative Committee.

Member Shadell read the description for the Homes Committee.

The Chairman, who also Chairs the Policy and Oversight Committee proposed changing the name of the Committee back to Policy and Administrative Committee, which it was previously named. He then read the description for the Committee. Member Burke suggested the name should be Policy and Procedures.

Member Alarid read the description for the Administrative Committee.

C. Board Policies: purpose, how initiated, how developed and approved

Member Alarid read a copy of Board responsibilities that he drafted. Member Bressette suggested that we table this item for further discussion at the next meeting.

DEPARTMENT FORUM

A. Department Update

Secretary Johnson updated the Board on the circumstances of the San Diego office closure. He said that due to the uncertainty surrounding the Tax and Reconciliation Act, California was not allowed to go to the Bond Market while the issue was in flux in Congress. As a result, the CalVet Program became short on funds for loans. A business plan for the CalVet Program was prepared and presented to the Board several years ago that was based on a worst case scenario which included a series of office closures if we were not able to get HR 1177/2952 enacted. The San Diego situation is not really a closure, but a continued merger and the Department is looking for a way to keep a presence in San Diego by reducing overhead. The Secretary advised that we were going to try to galvanize California again like we did last year, as soon as Congressman Ryan introduces legislation to eliminate the 1977 date so that the younger Veterans can have the same opportunity to get a CalVet loan. There also needs to be a reasonable cap of at least \$150,000,000 and to assure that there's no sunset date. The Secretary will be meeting next week in San Diego to discuss the merger. The Department wants to keep a presence there, and as soon as the 1977 date gets eliminated from law, they can revise the business plan and make a larger presence with the CalVet program.

The Department would also like some additional opportunities for QMB money, which doesn't exist now for refinancing. The QMB program has income limitations, first buyers limitations, and other things that constrain them, so they want more flexibility in the program.

The Department also got approval from 1943 bond funds for approximately \$1.3 billion more in bond funds, which they were unable to do last year. They had to control the volume of loans by making interest rates higher by going to the Freddie Mack limit due to the lack of funds. As soon as they get bonds sold, they will be able to replenish the unrestricted funds and use more cost effective bond management.

The Secretary outlined the following highlights in Veterans Services:

- Secretary Johnson and Secretary Rosario Marin are visiting all of the agencies in California and talking about the Disabled Veterans Business Enterprises and small business enterprises. The Governor has a plan and an Executive Order that we as State agencies incorporate into our purchasing: 25% small business and 3% Disabled Veterans Business Enterprises. They are giving them ideas on how to do that with specific plans.
- The Advisory for Military Affairs is an initiative that was created by the Governor. A part of this initiative relates to education and the Governor has brought together all of the commanders from the military posts in California to discuss the GI benefits. It's been discovered that only 50% of our troops use the benefit, so a task force has been created to determine ways to inform and encourage veterans to take advantage of their educational benefits.
- The Secretary reported he is on a Protection of Scams Task Force which includes pay day scams and predatory lending practices. In the next couple of months, the Governor will have some very specific legislation for California that will deal with these issues.
- A task force, headed by Jack Kirwan, has been formed to meet a requirement to prepare an outreach plan to report on how the Department outreach services will be improved in the future. This report is due to the Legislature by January 2007.

- The second Hire a Hero, Hire a Vet job fair was just held in Sacramento with an attendance of 59 businesses. The first one in Kings County had 120. There are plans to hold six more around the state to bring employers and Veterans together.
- The transfer of the title for GLAVC is about to take place and is going through a sign-off process in the central office. The Secretary has signed the \$80,000,000 that we will have this year. This gives us six months to have the bids ready for the GLAVC process and signing an MOU with the Secretary in Washington before March 18, 2007. The bids will go out on December 4, and they're looking to break ground in the spring or early summer.

There's still a problem in the federal government with the State Home Grant Program. It's time for every Veterans organization and the Board to take leadership in getting the House version of the Veterans budget signed which is \$105 million versus the Senate version, which is only \$85 million. If the Senate version is adopted, the Program may not be able to meet its funding commitments and could become a major problem for all state home projects, including those in California. We need everyone to get behind their congressmen and their senators to support the House version. A sample letter to send to legislators was passed out.

RECOMMENDATION

Chairman Chong made a motion to support sending the letters on behalf of the Board.

AYES: Board members Alarid, Astafan, Bressette, Burke, Chong, and Shadell.

NOES: None

Chairman declared the motion carried.

Update on the Homes:

Yountville: The Secretary reported that the Yountville Annex I re-bid project has hit a snag and is being discussed by the attorneys. The Member Service's Building has been put on the list for the State's grant program as a life/safety issue instead of a remodel issue, so we're hoping to get it started sometime with budgeted money next year. The DGS has given the Department a proposal for a feasibility study for additional staff housing on the Yountville campus as a recruitment and retention opportunity. They will look at the proposal to see if it makes sense.

Barstow: Barstow has been working closely with Loma Linda.

Chula Vista: A new Skilled Nursing Director has been hired for Chula Vista. The Governor currently has an energy Executive Order that requires that all state buildings will save 20% on electricity by 2015, with a combination of retro-commissioning, conservation and design. Chula Vista has already met this goal. All of the homes, as well as the central office, will be monitored for compliance.

Budget: The Legislative Analyst announced that this year there remains a \$4 billion shortfall, and in the upcoming 2007-09 years, could be an additional \$4.5 billion shortage. It's been reduced considerably from two years ago, but there's still a structural deficit as reported by the Legislative Analyst.

Strategic Plan State Administrative Manual (SAM): Requires the Department to carry forward a Strategic Plan on an ongoing basis. The last one completed was two and a half years ago and they need to again update the plan. A draft copy was handed out of a Motto, Vision, Mission, Core Values and Goals statement which was compiled by collective thinking from the management team and supervisors. Within the Goals will be specific, measurable objectives. A Retired Annuitant is being brought in to help format and put together the Plan to meet SAM requirements.

Secretary's Conference: Is coming up October 6. There will be a great agenda, which will follow with a meeting of the Veterans service providers to talk more about the chronic homeless problem and the Governor's initiative on this area. Proposition 1C is on the ballot, which has money included that will go toward chronic homeless veteran's programs.

B. Significant Legal Matters

NEW BUSINESS

The Chairman advised that the following agenda items will be tabled due to a lack of time, and will be rescheduled for the next meeting.

- A. Centralized Home Admissions
- B. C-13 Proposed Policy – Homes Admission Criteria
- C. Board Conduct and Ethics

The Chairman reported that during the Closed Session of September 28, the Board discussed whether they would prefer to hire independent counsel or use the Attorney General's Office when seeking advice. The Board agreed that they would prefer independent counsel due in part to cost. They have a draft position description which they will be reworking, and also will review the salary range before posting notice of the opening. In the interim, it may be necessary to retain the Attorney General's Office if any issues arise that would require legal advice.

Chairman Chong advised that he had attended a Roundtable meeting with the Governor's Committee on Employment of people with Disabilities. The Chairman would like a report from the Department at one of our forthcoming meetings on efforts being taken to provide services to disabled Veterans. Member Alarid would also like a report on what is being done for newly returning Veterans from Iraq.

LEGISLATIVE UPDATE

No legislative issues were discussed.

COMMENTS BY BOARD MEMBERS

MEETING ADJOURNED AT 12:00.